

NEC

NAVOPACHE ELECTRIC COOPERATIVE



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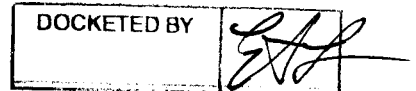
Docket Control
Arizona Corporation Commission
1200 W. Washington
Phoenix, AZ 85007

ORIGINAL

Arizona Corporation Commission
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JUN 11 2014

June 5, 2014



Re: Navopache Electric Cooperative, Inc REST Compliance
Report for January 2013 – December 2013
Docket No. E-01787A-13-0220

Pursuant to A.A.C. R14-2-1812 (A) & (B), enclosed is the Navopache Electric Cooperative, Inc. (NEC) REST Compliance Report covering the time period January 1, 2013 through December 31, 2013.

Please feel free to contact me if you have any questions.

Respectfully,

Heather McInelly
Navopache Electric Cooperative
Renewable Resources Specialist
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**Renewable Energy Standard and Tariff
Compliance Report
Compliance Year 2013**

Submitted June 5, 2014

**Navopache Electric Cooperative, Inc.
Renewable Energy Standard and Tariff
Compliance Report
Compliance Year 2013**

INTRODUCTION

Pursuant to A.A.C. R14-2-1812, Navopache Electric Cooperative, Inc. (NEC) submits this compliance report for calendar year 2013.

EXECUTIVE SUMMARY

The REST Plan uses surcharge dollars from the NEC Commission-approved retail tariffs to support programs for developing renewable facilities, purchasing renewable energy and participation in large-scale renewable generation projects. Funds may also be used for administration, advertising and educational activities.

R14-2-1814 provides that, upon Commission approval of NEC's REST Plan, its provisions substitute for the Annual Renewable Energy and Distributed Renewable Energy requirements of Rules 1804 and 1805, respectively.

2012 INSTALLATIONS AND ENERGY GENERATED

In 2013, 21 new Photovoltaic ("PV") systems were installed in NEC's service area for a total installed capacity of 144.60 kW. Additionally, of these new systems, 21 are distributed generation (21 residential and 0 commercial).

In 2013, 1 new solar water heating systems was installed in NEC's service area. This new system is expected to save approximately 2,060 kWh per year (as determined by the OG-300 rating program).

These additions bring the total number of renewable generation installations in NEC's service area by the end of 2013 to 218. This includes 4 utility owned PV installations (a total installed capacity of 284 kW) 186 member owned PV installations (a total installed capacity of 1285.91 kW), 9 wind installations with a total capacity of 9.4 kW, and 19 solar water heating installations expected to save approximately 53,951 kWh per year.

2012 REQUIRED REPORTING INFORMATION

The ACC requested that the Electric Utilities develop a standard REST reporting format. NEC submits the following tables to meet this requirement (see attached tables).

Table 1a – Renewable Resources

Table 1b – Compliance Summary

Table 2b – RES Cash Incentive Costs

The following tables were not included because they are not applicable to the Commission approved NEC REST program.

Table 2a - RES Resource Costs

Implementation Plan Table 1 – Targeted Resources

Implementation Plan Table 2 – Targeted RES Resources Costs

Compliance Report - Energy

Table 1a - Renewable Resources

Resource	Technology	Ownership	MWac ¹	MWdc ¹	Production (Actual)	Production + (Annualized) ²	Multiplier Credits	Total MWh or Equivalent
GENERATION:								
	Grid-Tied Photovoltaic	NEC		0.076		166		166
<i>Gross Total (if needed)</i>								
<i>Adjustments (if needed)</i>								
Subtotal Generation				0.076		166		166 (A)
DISTRIBUTED ENERGY (DE):								
<i>Residential:</i>								
	Photovoltaic	Member		1.0778		2,360		2,360
	Solar Hot Water Heating	Member		0.0237		52		52
	Wind	Member		0.0094		21		21
	Grid-Tied Photovoltaic	NEC		0.2080		456		456
<i>Gross Total (if needed)</i>								
<i>Adjustments (if needed)</i>								
Subtotal Residential				1.319		2,888		2,888 (B)
<i>Non-Residential:</i>								
	Photovoltaic	Member		0.208		456		456
<i>Gross Total (if needed)</i>								
<i>Adjustments (if needed)</i>								
Subtotal Non-Residential				0.208		456		456 (C)
Subtotal Distributed Energy (B + C)				1.527		3,344		3,344 (D)
Total RES Resources (A + D)				1.603		3,511		3,511 (E)
Total MWac equivalent³								

Notes to Table 1:

¹ Generation capacity is generally reported in MWac and DE is generally reported in MWdc.

² Assumes 2190 kWh per installed kW for non-metered or current year installed residential PV systems, and 2190 kWh per installed kW for similar non-residential systems.

³ Represents the total RES portfolio capacity in MWac. Assumes a 0% dc-ac conversion factor applied to MWdc capacity.

Compliance Report - Energy

Table 1b - Compliance Summary

Category	Metric	%	Compliance Measure (MWh)	RES Resources (MWh or Equivalent)	
*Retail Sales	389,662	1.00%	3,897	3,897	
Prior year carrying balance ¹					(F)
2013 Total RES Resources <i>[From (E) in Table 1a]</i>				3,511	(E)
2013 Total RES Requirement	N/A				
DE Requirement	N/A				
DE Sub-Requirements:	N/A				
Residential DE	N/A				(G)
Non-Residential DE	N/A				(H)
Non-DE Target	N/A				(I)
Resources Used for 2012 Compliance <i>(G + H + I)</i>					(J)
End 2013 carrying balance <i>(F + E - J)</i>				386	(K)

Notes to Table 1b:

¹The RES-eligible resource carrying balance is accounted for using FIFO methodology, wherein the entire carrying balance is applied to the RES requirement and the year-end carrying balance consists of current year remaining resources.

* Actual 2012 AZ Retail Sales

Table 2b - RES Cash Incentive Costs

2013 Distributed Energy Cash Incentive Program Costs

				Up-Front Incentives		2013 Total Incentives Paid (\$)
				(\$/MW) ¹	(\$/MWh) ¹	
Residential:	MW	MWh		1,541,248	704	222,872
	0.14	317				
Subtotal: Residential						222,872
				Up-Front Incentives		2013 Total Incentives Paid (\$)
				(\$/MW) ¹	(\$/MWh) ¹	
Non-Residential:	MW	MWh				
	-	-				
Subtotal: Non-Residential						-
Total DE Incentive Costs						222,872

Notes to Table:

¹ Based on expected annual system production.